



Full year results 2023/24

20 June 2024

Redefining packaging for a changing world

- Strong customer relationships, innovation, service and quality
- Robust in line profit performance despite challenging market
- Volume decline of 2%
 - Positive lfl volume growth in H2
 - Q4 improvement on Q3
- Continued cost mitigation and productivity initiatives
- Continued sustainability progress
 - Replaced over a 1 billion units of plastic
 - GHG emissions 5% down (19% vs 2019)
- Recommended all-share offer from International Paper

(1) Before amortisation and adjusting items

£6,822m

Revenue

£701m

EBITA ⁽¹⁾

10.3%

ROS ⁽¹⁾

33.1p

EPS ⁽¹⁾

18.0p

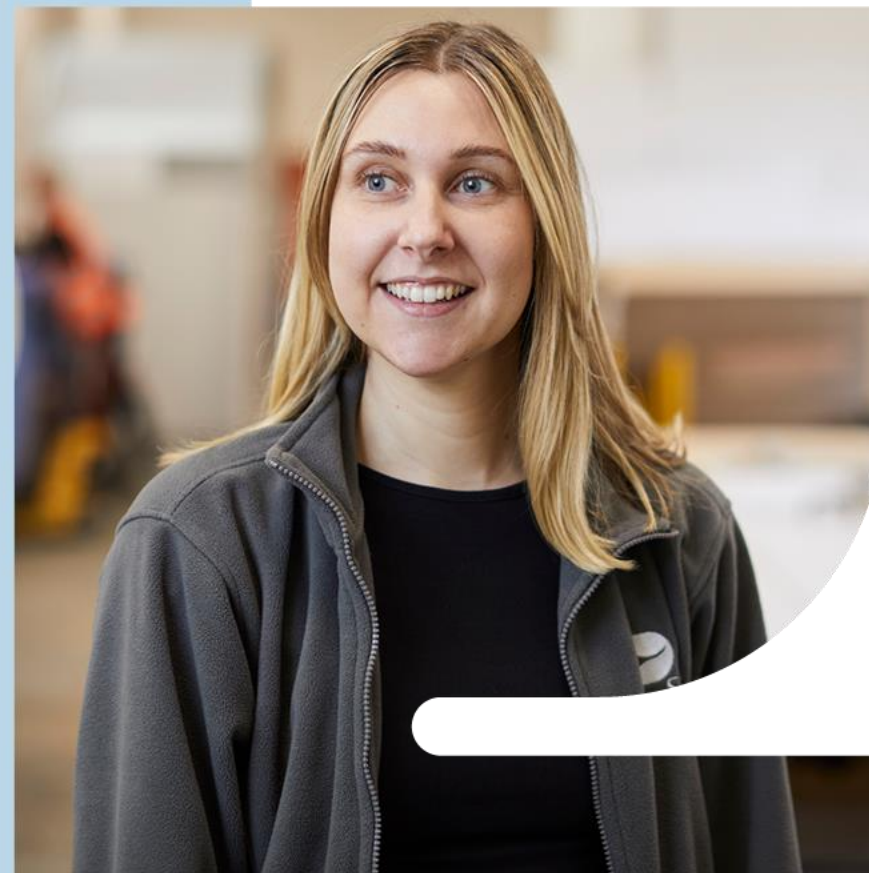
Dividend

2.1x

Net debt EBITDA



Financial results



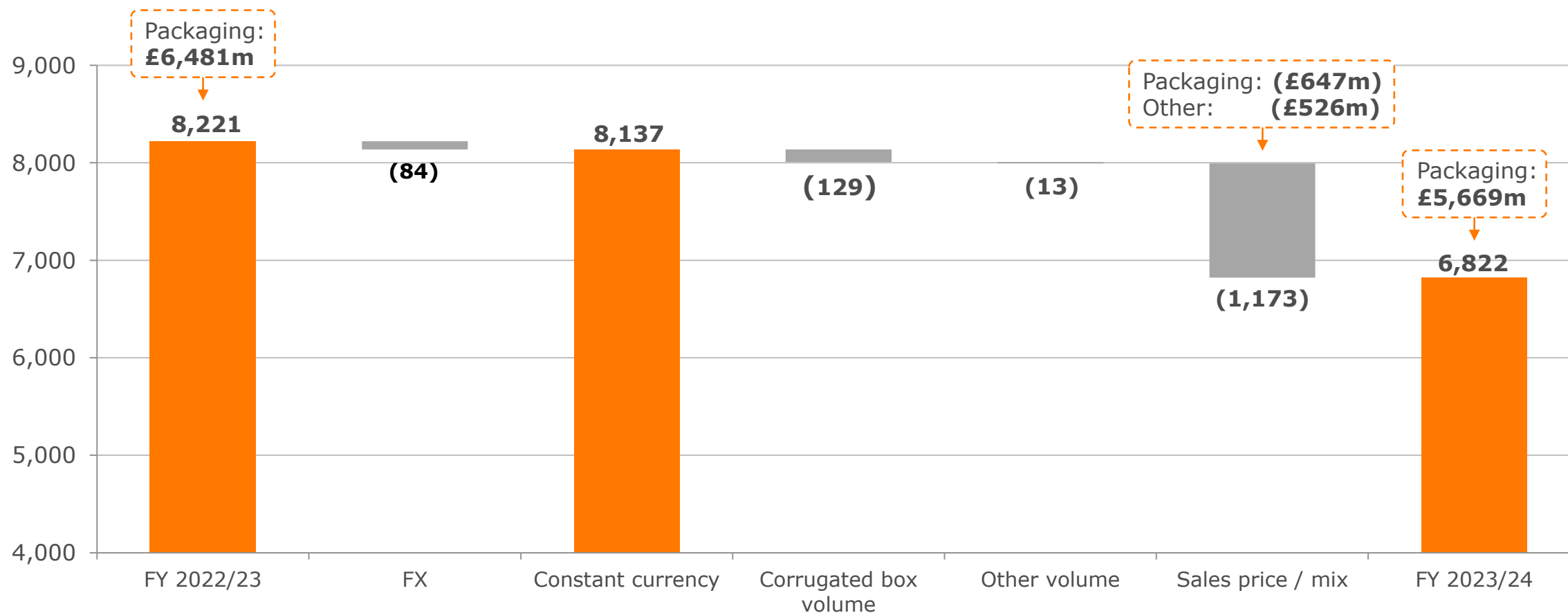
Key financial metrics

Continuing operations	FY 2023/24	FY 2022/23	Change Reported	Change Constant currency
Revenue (£m)	6,822	8,221	(17%)	(16%)
Operating profit ⁽¹⁾ (£m)	701	861	(19%)	(18%)
Return on sales ⁽¹⁾	10.3%	10.5%	(20 bps)	(10 bps)
Adjusted EPS ⁽¹⁾	33.1p	43.0p	(23%)	(22%)
Free cash flow (£m)	(175)	354	n.a.	n.a.
Dividend per share	18.0p	18.0p	-	-
ROACE ⁽¹⁾	10.7%	14.3%	(360 bps)	(370 bps)

(1) Before amortisation and adjusting items

Revenue development

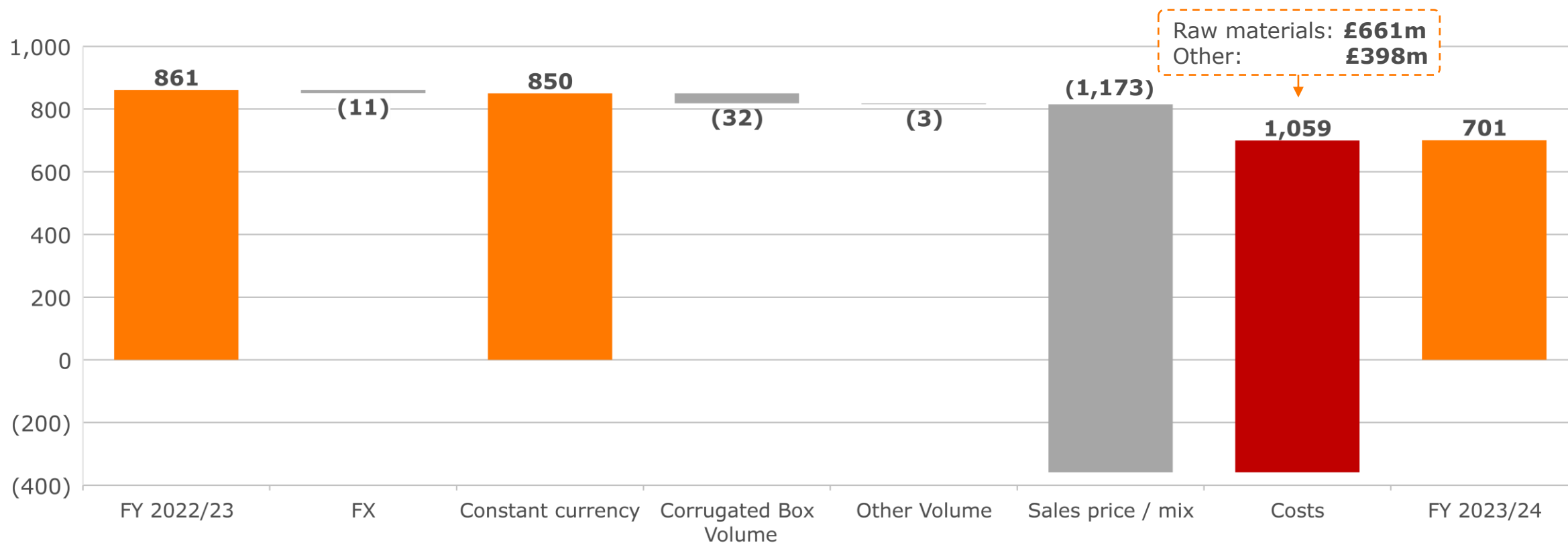
Revenue | continuing operations | £m



— Other volume includes paper, recycling corrugated sheet
 — Other sales price mix includes paper, recycling and external energy

Input cost control mitigating price deflation

EBITA | continuing operations | £m



Segmental Analysis

Operation area	Return on sales % FY 2023/24	Return on sales % FY 2022/23
Northern Europe	7.7%	6.8%
Southern Europe	14.7%	15.9%
Eastern Europe	6.5%	6.0%
North America	9.7%	10.8%
Group	10.3%	10.5%

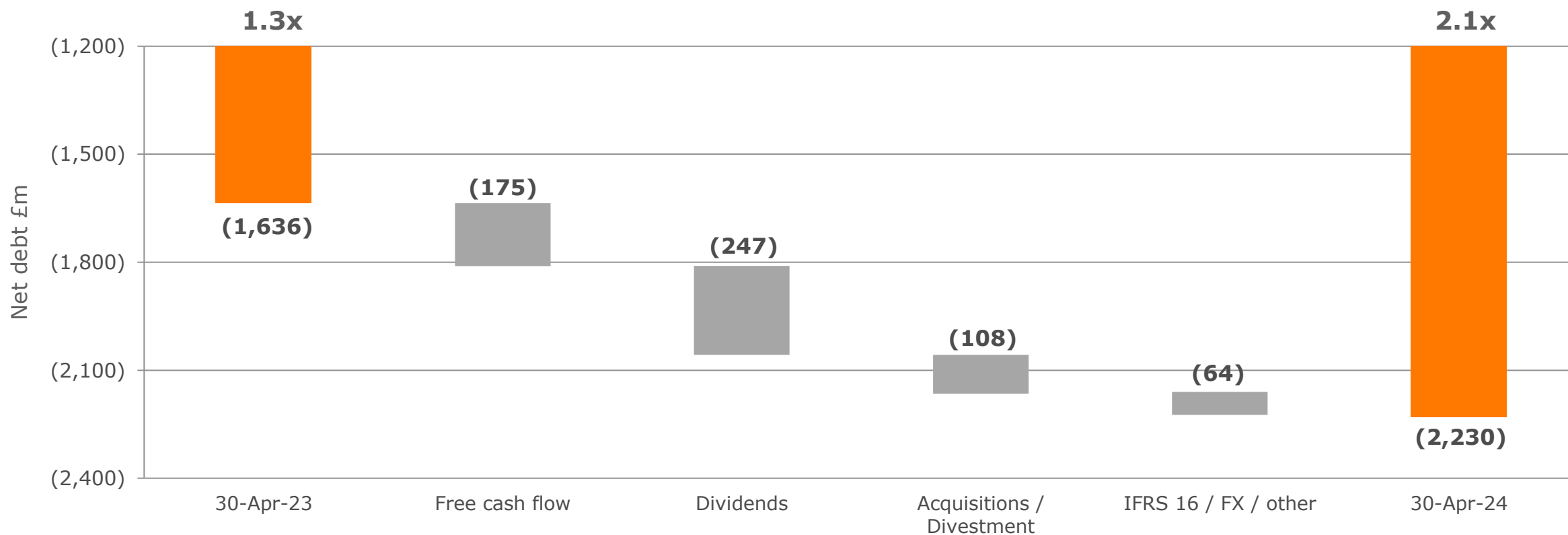
Cashflow

Cash flow £m (continuing operations)	FY 2023/24	FY 2022/23
EBITDA	1,024	1,173
Working capital	(417)	(121)
Pension payments/other	(41)	40
Capex (net of proceeds)	(506)	(526)
Tax and interest	(235)	(212)
Free cash flow	(175)	354
FCF per share	(12.7p)	25.7p
Cash conversion	39%	101%

- Non-recourse invoice discounting as at 30/04/24: £369m (30/04/23: £360m)
- Working capital includes £137m net outflow from derivative margin unwind (FY2023 inflow of £69m)

Net debt and leverage ratios

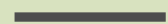
EBITDA | Net debt



— Net debt / EBITDA given as defined by our banking covenants



FY23/24



Delivering for all stakeholders



Robust performance in a challenging market

Challenging market backdrop

- FMCG resilient
 - High inflation environment
-

Market conditions improving

- H2 positive volume growth
 - End market growth, increasing promotional activity
-

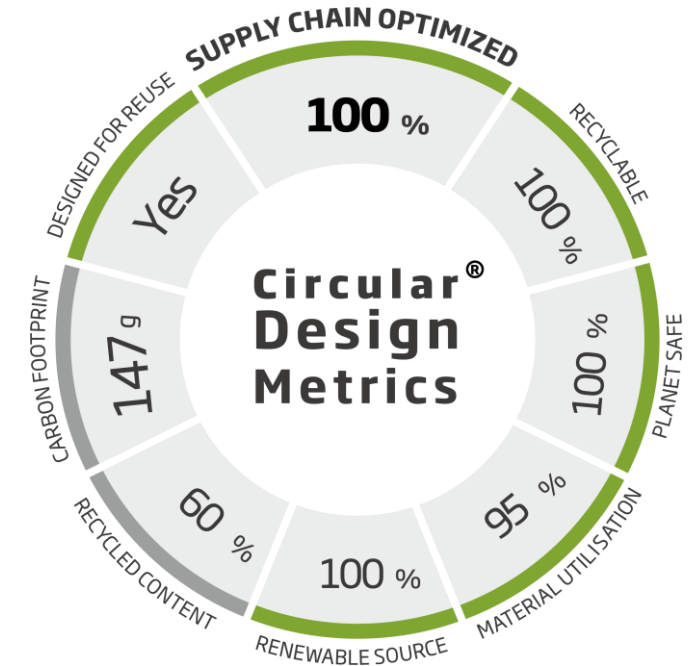
Strong customer focus

- Innovation
- Responsiveness
- Industry leading service and quality
- Record customer survey results



Innovation driving sales

- Deep market insights and development expertise
- Investment in innovation hub – new R8 facility
- Supported by extensive network of customer experience centres
- Over 700 designers and innovators applying circular design principles
- Supporting customer sustainability goals and circularity



Circular Design Metrics

- >100,000 packaging decisions influenced by our Circular Design Metrics

Continuing plastic replacement opportunities



Leading in sustainability



FY24 circularity highlights



90%

of our specifications uniquely optimised for customer supply chains

>100,000

packaging design decisions influenced by our Circular Design Metrics

19%

reduction in waste to landfill vs last year

c.4,000

Circular Design Metric solutions presented to our customers each month



FY24 carbon highlights



5%

reduction in total GHG vs last year

CDP 'A-List' status

2023 Climate Change response



19%

reduction in total GHG vs 2019

Published inaugural **Net Zero Transition Plan**

Ongoing projects

c.99,000

tonnes CO₂e, saved from transition of Rouen mill to biomass waste

c.50,000

tonnes CO₂e, saved from waste to energy plant in Aschaffenburg

Combination with International Paper

- Combining two complementary businesses with leading positions in Europe and North America to create a global sustainable packaging solutions leader
- Opportunity to drive best practice and optimise supply chains
- Unlocking meaningful cost synergies as well as capex savings and revenue opportunities
- Enhancing the global proposition to existing and prospective customers, in particular in the FMCG sector
- Strong operational fit and complementary nature of operations
- Working collaboratively with International Paper to satisfy the offer conditions and complete transaction



Outlook

- Improving volumes
- Relentless focus on customer value-add
- Input cost inflation
- Paper price momentum
- Packaging price recovery H2 weighted
- Strong market fundamentals and momentum



Appendix

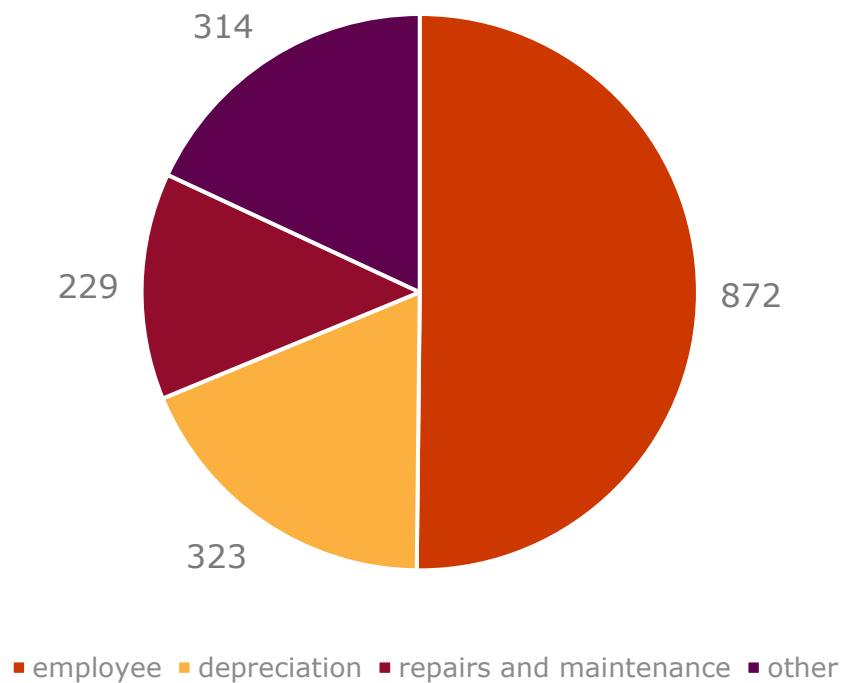


Foreign exchange exposure

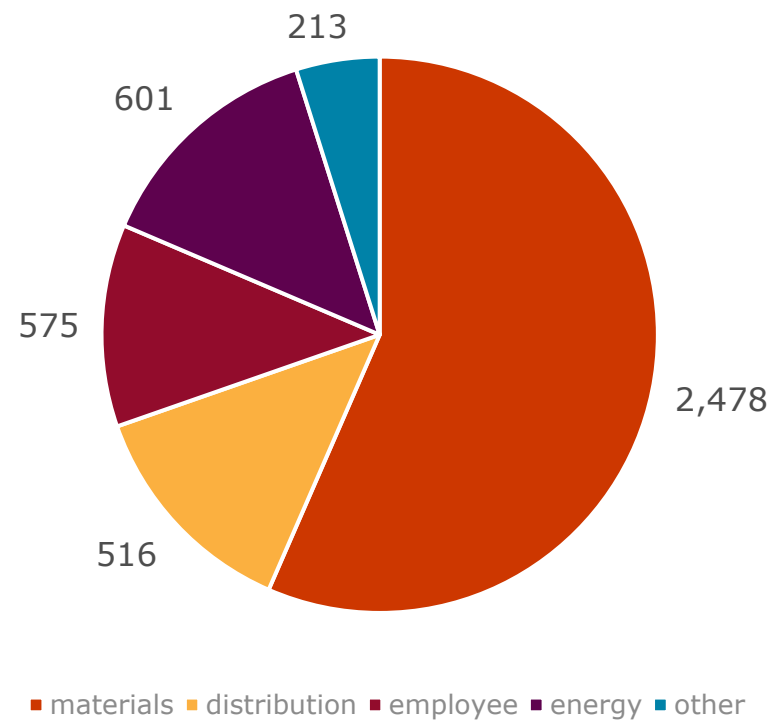
2023/24	Revenue (%)	Average rate FY 2022/23	Average rate H1 2023/24	Average rate FY 2023/24	Closing rate 30 April 2024
GBP	14.8%				
EUR	60.2%	1.152	1.159	1.161	1.170
PLN	3.4%	5.423	5.220	5.134	5.051
SEK	2.4%	12.547	13.523	13.371	13.750
DKK	2.1%	8.575	8.641	8.658	8.725
USD	8.7%	1.201	1.255	1.258	1.254
Other	8.4%				

Cost analysis 2023/24

Fixed costs
Total £1,738m



Variable costs
Total £4,383m

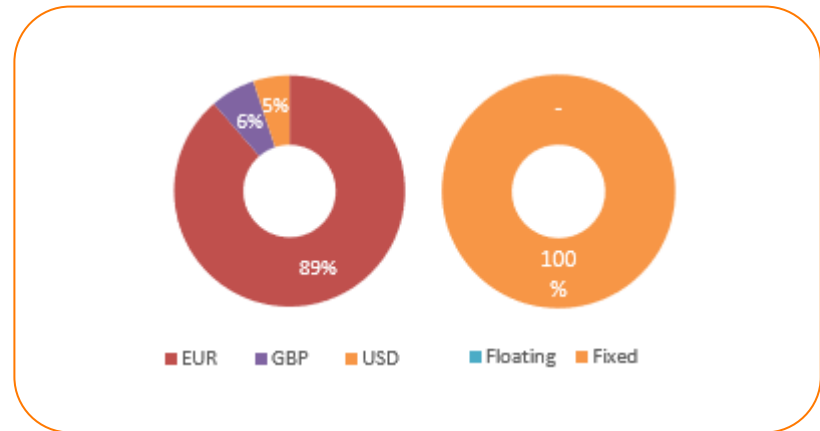


Debt analysis



Net Debt (excl. IFRS16)	£1,994m
Net Debt / EBITDA*	2.1

* As defined in the Group's banking agreements.



As at 30 April 2024, the weighted average remaining life of the Group's committed borrowing was 2.68 years.
 Debt shown net of swaps.
 An extension of the Group's RCF was agreed in June 2024, such that the new facility of £1.25 billion matures in May 2027
 On 19 June 2024 the Group signed a 5 year €200m loan facility with Bayerische LB, Commerzbank, IKB Deutsche Industriebank Ag and Unicredit Bank.

Technical guidance

£350m

Depreciation

£20m

Pension deficit reduction cash contribution

£95m

Amortisation

c.£400-450m

Capex

c.£140m

Interest incl. pension
(£1 million is pension)

1% move in GBP

FX Approximately £7m EBITA

25%

Tax rate

